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THE CASE OF DR. FERDINAND A. KERTESS

At Briarcliff Manor on Scarsborough Road in Westchester County, New York, there lives a wealthy business man who for the last ten years has maintained intimate relationships with leading industrialists and financiers of Nazi Germany and who today, according to reliable information *The Hour* has received, is serving as a front man in the United States for interests of I. G. Farbenindustrie, the giant Nazi chemical trust. His name is Dr. Ferdinand A. Kertess. He is President of the Chemical Marketing Company at 10 East 40th Street, New York City.

The Hour is informed that shortly before Nazi Germany declared war on the United States, I. G. Farben -- whose directors play a leading role in shaping the policies of the Third Reich -- transferred a number of patents in North and South America to Dr. Kertess' Chemical Marketing Company.

The purpose of the transfer of I. G. Farben patents to Dr. Kertess' concern and the role which Dr. Kertess is currently playing are indicated in a confidential message sent on July 23, 1940, by Dr. Kertess to the Directors of the Deutsche Gold- und Silber-Scheideanstalt (German Gold and Silver Refining Institute) at Frankfurt on Main, Germany. Here is an excerpt from Dr. Kertess' message of that date to the Nazi businessmen:

"In the interest of the general political economy of the German people and especially in the interest of our business we took up immediately upon the outbreak of war a front name with your South American correspondents in order that through the delivery of American chemicals these representatives in the several South American countries would be placed in a position to retain your customers and return them to German interests at the close of the war."

Dr. Kertess' Record

Dr. Kertess, who became a naturalized American citizen in 1940, first came to the United States from Germany in 1923. He remained in this country until 1927; he then went back to Germany for

a three-year visit. Shortly before Hitler seized power, Dr. Kertess returned to the United States and took up permanent residence here. After the Nazis had taken over the German Government, he began making yearly visits to the Third Reich. Not one year elapsed during the period 1933-1939 in which Dr. Kertess failed to visit Nazi Germany. He invariably traveled on German boats.

During this period Dr. Kertess was serving as the United States representative for various German and German-American concerns. Among these concerns were American Aniline Products Co., Inc., Deutsche Gold- und Silber-Scheideanstalt, and Chemical Marketing Co. (originally incorporated in 1935 as Frank von Kropp & Co.).

When war broke out in Europe in September 1939, Dr. Kertess -- who apparently had advance information of Germany's plans -- was not caught unprepared. On May 4, 1939, four months before the Nazi Army crossed the Polish frontier, he had sent this significant cable to one of his associates in Frankfort on Main:

"Schlosser: Hope you are well again. Your number 22. Together with friends ready for war. After careful consideration convinced able to protect interest step by step including low percentage." (Italics ours.)

Nevertheless, the war naturally affected Dr. Kertess' dealings in the United States. For one thing, communicating with his "friends" in Germany became far more difficult. In a message addressed to Siebert, G.m.b.H., Hanau, on July 23, 1940, Dr. Kertess wrote:

"Will you please, first of all, remember for the 'nth' time that it is most highly undesirable to use Western Union; every single telegram of this cable company goes through the British censor."

Dr. Kertess had reason to be irritated and alarmed, as is indicated in the following passage from the same communication:

"... Deliveries to you in the past appear to have caused you to assume this possibility as natural, although I can now assure you that it has been a damned clever performance to make deliveries for you as we have been compelled to do it, and you can imagine that even that possibility would be destroyed by highly incautious cables such as yours."

Visit of Heinrich Stiege

Occasionally, after the outbreak of war, special emissaries from the Third Reich visited Dr. Kertess. One of these was a man by the name of Heinrich Stiege. Before Stiege's arrival in the United States, Dr. Kertess received an airmail letter from Berlin stating:

"The considerations which moved us to send Herr Stiege, he will explain to you in detail. I have instructed

him that I do not think it necessary or perhaps even desirable for him to appear officially either in Wilmington or in Niagara Falls, and for this reason we have not announced his probable arrival either there or in any other place."

It happened that Herr Stiege, who traveled to America via Japan, was not allowed to enter the United States. When his boat reached the West Coast, the authorities insisted he remain on board. The resourceful Dr. Kertess, however, overcame this unexpected obstacle. In a letter written on September 4, 1940, to Hermann Schlosser in Frankfurt on Main, he related:

"Thanks to friendly connections on the West Coast and the very powerful support of these friends, I was able to receive permission both on the day of arrival and the day of departure to go aboard and we had not less than eleven hours in which to discuss everything necessary and to go through all the papers which Herr St. had brought along. ... I can report that I found Herr St. in the best of health and spirits. He started for Rio last Saturday."

Kertess and the Fellowship Forum

It was not unnatural that when the Nazi agent Dr. Friedrich Auhagen had formed the American Fellowship Forum in April 1939, he enlisted the support of Dr. Kertess. The Forum was organized for the purpose of persuading American business men of the "peaceful" intentions of Nazi Germany and to convince them of the desirability of trading with the Third Reich. (The first lecture sponsored by the Forum was entitled "America and Germany -- Contracts Without Conflicts"; the speaker was Lawrence Dennis, self-styled theoretician of American Fascism and author of *The Coming American Fascism*.) The propaganda mouthpiece of the American Fellowship Forum was *Today's Challenge*, a magazine which listed as associate editor, George Sylvester Viereck, the Nazi agent who was sentenced on March 13 to two to six years imprisonment.

Dr. Kertess was one of the incorporators of the American Fellowship Forum, the other signers of the papers of incorporation being Dr. Edmund F. Kohl, Dr. P. J. Kessler and Richard Koch. According to the Dies White Paper published in 1940, Dr. Kertess "paid for the offices used by the American Fellowship Forum, room 2942, 11 West 42nd Street, New York City, by his own personal check."

Kertess and Edmonds

The Dies White Paper contained certain statements by a newspaperman named James E. Edmonds, which offer further interesting information about the nature of Dr. Kertess' activities in the United States. In the summer of 1939 Edmonds entered the employ of Dr. Kertess (who was unaware that the newspaperman was secretly reporting to agents

of the Federal Bureau of Investigation). On October 28, 1940, Edmonds was questioned by investigators from the Dies Committee regarding his association with Dr. Kertess. Here are some excerpts from the testimony given by Edmonds;

Q. What was the nature of your [first] conversation with Dr. Kertess?

A. Dr. Kertess told me that he had heard of me through the German Consulate General, who were friends of his. He said he had some research work he would like me to do for a while and wanted to know whether I would be interested. ...

Q. At the time of that conversation did you assume that Dr. Kertess was asking you to engage in work and would in the future require your services for the purpose of gathering information which is not usually open to newspapermen or to persons in the position of Dr. Kertess?

A. I did.

Q. In other words ... you gathered the impression that Dr. Kertess was in reality sounding you out as to the prospect of having you perform work which might be classified as espionage?

A. I did.

In answer to the questions of the Dies investigators, Edmonds went on to describe how he received approximately \$800 from Dr. Kertess during September 1940 for "research work" in the New York Public Library; the work, according to Edmonds, "was worth roughly \$10.00," and its sole purpose was to serve as an excuse for Edmonds' receiving money from Dr. Kertess. Edmonds pointed out that services of a very different nature were what Dr. Kertess was really interested in;

A. He [Dr. Kertess] stated that since I had, as I told him, friends in French and British official offices in New York, that I could undoubtedly find out for his associates certain information in regard to convoy movements and shipping movements of British and French purchases in this country, and said that Dr. Gross would pay for such information. He said that he was sending me to Dr. Gross because Dr. Gross was an agent of the German Government who was handling matters of that sort, and because since Dr. Gross was operating a news agency in New York it would serve as a perfect front, as he described it, for my visits to Dr. Gross.

.....

Q. Did Dr. Gross state to you definitely that the information you received would be submitted to the German authorities?



A. He did.

Q. Did Dr. Kertess make a like statement?

A. He did. As a matter of fact, both Dr. Gross and Dr. Kertess told me that the information which I submitted to them went to the German Naval Attaché in Washington, D. C., through the German Consulate in New York.

Investigation Urged

In view of the facts stated above, The Hour urges that the FBI and the Foreign Funds Control Division of the United States Treasury Department conduct an immediate investigation of Dr. Kertess' current activities and of his connection with I. G. Farbenindustrie.

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ACTION AGAINST SEDITIOUS PUBLICATIONS

On July 11 The Hour carried an article, "Seditious Publications Still Flourish in the United States," in which we pointed out that although the United States was in its eighth month of war against the Axis powers, "scores of publications are appearing regularly throughout the land and reaching tens of thousands of Americans with disruptive propaganda aimed at undermining the morale of the people and sabotaging the war effort of the nation."

After naming a number of these subversive publications, we stated, "It is high time for U. S. authorities to wage an all-out fight against Axis psychological warfare in the United States. The Hour therefore urges that Attorney General Francis Biddle take immediate steps to suppress all these publications which continue to spread pro-Axis, anti-American propaganda in the United States."

On July 23, Attorney General Biddle announced the indictment of twenty-seven men and one woman on charges of conspiracy to circulate publications designed to promote revolt and disloyalty among American soldiers, sailors and marines. The indictments were handed down by the Federal Grand Jury in Washington which, under the direction of William P. Maloney, Special Assistant to the Attorney General, has been investigating Axis propaganda activity in the United States. The grand jurors listed thirty publications as agencies through which the indicted defendants had tried to undermine American morale by picturing the United Nations as weak and ineffective, America as safe from attack, America's leaders as untrustworthy, and the war as a Jewish plot.

Among the individuals indicted were Elmer J. Garner of Wichita, Kansas; Charles B. Hudson of Omaha, Nebraska; Court Asher of Muncie, Indiana; Edward James Smythe of New York; William Kullgren of Atascadero, California; David Baxter of San Bernardino, California; and C. Leon de Aryan of San Diego, California -- all familiar names to readers of The Hour. Almost without exception, the publications branded as seditious by the Attorney General are ones which The Hour has been urging the Department of Justice to suppress.

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